

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1851 - SB 1847**

March 2, 2016

**SUMMARY OF BILL:** Requires all public institutions of higher education governed by the Tennessee Board of Regents (TBR) and the University of Tennessee (UT) Board of Trustees to charge all full-time students the same rate regardless of the number of semester hours taken.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue - \$12,768,200/TBR**

**Assumptions:**

- Based on information from the Office of Legal Services, it is assumed that this bill is applicable to full-time in-state undergraduate students at four-year TBR and UT institutions who are taking at least 12 credit hours per semester.
- The bill does not require all institutions statewide to charge the same tuition and fee rate, but requires that each, respective, institution charge the same tuition and fee rate for all undergraduate students attending their respective institutions, regardless of the number of credit hours taken.
- Based on the information provided by UT, UT currently charges a flat rate for any full-time undergraduate student, regardless of how many credit hours the student is enrolled in.
- Based on information from TBR, each TBR university charges a higher fee rate for credit hours above 12 credit hours. The amount of these fees vary by institution.
- Based on TBR data that details the number of undergraduate students and the fees charged by each TBR university to students who are taking more than 12 credit hours; the additional tuition revenue for the 2015 summer term is estimated to be \$116,306; for the 2015 fall semester the additional tuition revenue is estimated to be \$6,713,304; and for the 2015 spring semester the additional tuition revenue is estimated to be \$5,938,626.
- Based on data from TBR relative to the fees charged to students who take more than 12 full-time credit hours per semester, the recurring decrease in state revenue to TBR is estimated to be \$12,768,236 (\$116,306 + \$6,713,304, \$5,938,626).

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp